| Region | State/UT | Engineering | |
|---|---|---|---|
| | | NOI | Intake |
| South | Andhra Pradesh | 274 | 97942 |
| | Pondicherry | 7 | 2466 |
| | Tamil Nadu | 265 | 102322 |
| South-West | Karnataka | 120 | 48515 |
| | Kerala | 89 | 25543 |
| Western | Maharashtra | 162 | 50276 |
| | Goa | 3 | '740 |
| | Daman & Diu | 0 | 0 |
| | Dadar, N.H. | | |
| | Grand Total | 1475 | 499697 |

**Withdrawal of notices by VSNL**

2732. SHRI RAJKUMAR DHOOT: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

whether it is a fact that the VSNL had issued notices on 2nd March, 2006 to some MNCs and foreign carriers for the termination of remote access connectivity and DoT had to ask VSNL to withdraw the same;

if so, the details thereof and the reasons therefor;

whether all the notices have been withdrawn by VSNL; and

if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRYOF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEELAHMAD): (a) to (d) In preparation for reporting compliance by 3rd March, 2006 of the amendments issued to National Long Distance/International Long Distance service licence agreements by the Department of Telecommunications on 14th December, 2005, Videsh Sanchar Nigam Limited (VSNL) had issued communication in February 2006 to eight Multi-national Companies (MNCs) and foreign carriers informing them about the requirements under modified licence conditions and resultant actions. Since the date of submitting compliance was extended to 2nd July, 2006, VSNL had communicated to

the same Multi-national Companies (MNCs) and foreign carriers that the proposed action was put on hold till further advice.

**Sales Tax on telecom services**

2733. SHRI RAJKUMAR DHOOT: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

whether it is a fact that Hon. Supreme Court has held that the States can't impose sales tax on telecom services;

if so, the details thereof; and

its impact on the proposed budgeted revenue for the financial year 2006-07?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) Yes, Sir.

On a Writ Petition (C) No. 183/2003 of BSNL v/s Union of India and others and other related Petitions clubbed therewith, Hon'ble Supreme Court, *vide* Order dated 02-03-2006 has hald that States can not impose sales tax on telecom services. Salient points of the Judgement are given in the enclosed Statement. (See below).

Salex tax being State subject, it has no impact on the budgeted revenue of the Central Government.

***Statement***

*Salient points of judgement in the case of WP(C) No. 183/2003 by the Hon'ble Supreme Court*

| Sl. No. | The issues which arise for consideration in these matters | Decision |
|---|---|---|
| A | What are "goods" in telecommunication for the purposes of Article 366(29A) (d)? | Goods do not include electromagnetic waves or radio frequencies for the purpose of Article 366 (29A) (d). The goods in telecommunication are limited to the handsets supplied by the service provider. As far as the SIM cards are concerned, the issue is left for determination by the Assessing Authorities |